

For Immediate Release: January 31, 2012

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NELP Applauds Connecticut Proposal to Raise the State Minimum Wage to \$9.75

Would Boost State Economy and Restore the Minimum Wage to Its Historic Level

Hartford – Today Connecticut House Speaker Chris Donovan announced legislation to raise Connecticut’s minimum wage to \$9.75 per hour and to index it to inflation as ten other states do, so that it keeps pace with the rising cost of living. Joining with Speaker Donovan in championing the initiative were Representative Bruce “Zeke” Zalaski and Representative Ezequiel Santiago, Chair and Vice Chair of the House Labor Committee.

“We applaud Speaker Donovan’s leadership in pushing for the strong minimum wage that Connecticut’s workforce and economy need,” said **Christine Owens, Executive Director of the National Employment Law Project**. “Raising the minimum wage to \$9.75 will help boost the consumer spending that Connecticut’s economy needs to stimulate growth,” said Owens. “In the fight to get the state’s economy back on track, workers’ buying power is the secret weapon.”

“With inequality rising and low-wage workers falling farther behind, there is no more crucial time to raise Connecticut’s minimum wage,” said **Lindsay Farrell, Legislative Director of the Connecticut Working Families Organization**.

Speaker Donovan proposed raising Connecticut’s minimum wage by \$1.50 to \$9.75 per hour in two steps over the next eighteen months. Starting in July 2013, the minimum wage would then be adjusted each year to keep pace with the rising cost of living.

Increasing the minimum wage – and adjusting it each year to keep pace with the rising cost of living – would lift the state’s economy, improving economic security and opportunity for tens of thousands of hard-working Connecticut residents. Donovan’s proposed increase would inject more than \$71 million per year directly into the state’s economy, and increase the take-home pay of 226,000 workers by up to \$750 per year. The direct stimulus effect of this increase would be substantial, and would create or support over 1,500 full-time jobs in Connecticut over the course of the phase-in of a minimum wage increase.

The Connecticut proposal adds to a wave of action on the minimum wage this year. In recent weeks, minimum wage increases have been introduced in New York, New Jersey and Delaware. Similar proposals were already pending in Illinois, Massachusetts, Missouri and California.

The minimum wage is becoming more and more important for the nation’s economy, with [job growth strongest in low-wage industries](#). Indexing the minimum wage to inflation would also mean more predictability for businesses – after indexing, the minimum wage would rise at much the same rate as other business costs.

At \$8.25 per hour, a full-time minimum wage worker in Connecticut earns just \$17,160 a year – not nearly enough to support a single person, let alone a family with children in Connecticut, a state with one of the nation’s highest costs of living.

Raising the minimum wage to \$9.75 by 2013 will restore Connecticut’s minimum wage to close to (93% of) its historic level. Connecticut’s minimum wage would be \$10.34 today and \$10.55 by 2013 if it had been updated each year based on the Consumer Price Index since 1968. During the 2008 campaign, [President Obama](#) called for raising the minimum wage to \$9.50 by 2011—approximately the inflation-adjusted equivalent of Speaker Donovan’s proposal.

Massachusetts and Illinois have similarly introduced legislation that would raise their states’ minimum wages closer to this historic level by 2013 (\$9.50 in Mass., \$9.70 in Ill.) and even higher by 2014 (\$10.00 in Mass., \$10.40 in Ill.).

Leaders across the political spectrum are calling for action on the minimum wage. Earlier this month, New York Mayor [Michael Bloomberg](#) called for raising New York’s minimum wage. And former Governor [Mitt Romney](#) stated his support for pegging the minimum wage to inflation so that it automatically adjusts to keep pace with the rising cost of living.

Raising the minimum wage draws support from all income groups and political parties, including majorities of Democrats, Independents, and Republicans. Recent [polling](#) found that two-thirds of Americans – a bipartisan majority – support raising the minimum wage to \$10 and then indexing it to inflation to keep up with the rising cost of living.

The most [rigorous research](#) over the past 15 years, including studies comparing job growth trends in neighboring counties across state lines with different minimum wages, have found that higher minimum wages do not result in job losses. Importantly, this research shows that these trends are the same for minimum wage increases implemented even during weak economic periods, such as the 2009 federal minimum wage increase.

The National Employment Law Project is a non-partisan, not-for-profit organization that conducts research and advocates on issues affecting low-wage and unemployed workers.

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